HON'BLE SRI JUSTICE GOPALA KRISHNA TAMADA

W.P.No.7445 of 2000

Dated 25th day of April, 2007

Between:

Pallam Reddy Sudhakar Reddy
and two others ..
Petitioners

And

The Senior Inspector/Sales Officer,
Prakasam District Cooperative Central Bank,
Ongole
and another ..
Respondents

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O R D E R:

This writ petition is filed seeking a mandamus to declare the action of the respondents in trying to adopt illegal methods in realizing crop loans without following the procedure laid down under the provisions of the Cooperative Societies Act, 1964 (for brevity "the Act") and the Rules made thereunder, as arbitrary and illegal.

The petitioners assert that they took short-term and long-term loans from the 2nd respondent-Primary Agricultural Cooperative Society, and cleared the loans in the year 1993. Now, the grievance nurtured by them is that when they took loans again in the year 1994, they could not repay them regularly on the ground that their entire crops were badly damaged due to cyclone and requested the 2nd respondent to grant time for repayment till the end of the year, but the 2nd respondent, neither issuing notice nor conducting any enquiry under Section 71 of the Act, is openly proclaiming by way of publication in Andhra Jyothi Daily, Ongole Edition dated 22.10.1996 that the petitioners' land would be put to sale in open auction on 26.5.1997 to recover the crop loans.

Heard the learned counsel for both the parties.

As the respondents have not chosen to file counter affidavit in spite of the fact that notices are served on them, there is no option but to accept the contention of the learned counsel for the petitioners.

In the result, the writ petition is allowed and the respondents are directed not to realize crop loans from the petitioners without following the procedure laid down under the provisions of the Act and the Rules

made thereunder. No costs.

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25.04.2007

bcj